

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. _____

IN RE:)	
)	
Application of Duke Energy Carolinas, LLC)	<u>APPLICATION</u>
for Approval of the Transfer and Sale of)	
Property in North Carolina)	

Duke Energy Carolinas, LLC, (“Applicant” or the “Company”), hereby applies to the Public Service Commission of South Carolina (“Commission”) for approval of the transfer and sale of certain real estate (hereinafter “the Property” and more fully described in Exhibits “A” and “B” attached hereto), and located in the Company’s North Carolina service area . This Application is made pursuant to Section 58-27-1300, Code of Laws of South Carolina, (1976, as amended) and other applicable Rules, Regulations and Statutes. In support of this Application, the Company shows the Commission the following:

1. Its general offices are at 526 South Church Street, Charlotte, North Carolina, and its mailing address is:

Duke Energy Carolinas, LLC
526 S. Church Street,
Charlotte, North Carolina 28202

2. The name and address of Applicant’s attorneys are:

Lawrence B. Somers, Assistant General Counsel
Duke Energy Corporation
P.O. Box 1006 (EC03T)
Charlotte, North Carolina 28201-1006
(704) 382-8142

William F. Austin
Richard L. Whitt
Austin, Lewis & Rogers, P.A.
508 Hampton Street
Columbia, South Carolina 29201
(803)251-7442

3. Copies of all pleadings, orders or correspondence in this proceeding should be served upon the attorneys listed above.

4. The Company is a public utility engaged in the generation, transmission, distribution, and sale of electric energy in the central and western portion of North Carolina and the western portion of South Carolina and is subject to the jurisdiction of this Commission.

5. The Property to be sold consists of certain real estate located in the city of Greensboro, Guilford County, North Carolina, which is not required for current utility operations. Exhibits "A" and "B" attached hereto provide a detailed description of the Property.

6. This transaction will not affect the Company's ability to provide reliable service to its customers at just and reasonable rates.

7. The Property to be sold is a commercial site of 3.94 acres, more or less, located at the northeast corner of N. Church Street and E. Friendly Avenue in downtown Greensboro, N.C. The Property was the site of a manufactured gas plant site in the early 1900s and has been vacant for many years. Environmental remediation was conducted and completed on the site in 2000, pursuant to requirements of the North Carolina Department of Environment and Natural Resources ("NCDENR").

8. The Company and Weaver Foundation, Inc., ("Weaver Inc") a North Carolina nonprofit corporation, entered into an Agreement of Purchase and Sale for the Property at a price of \$1,000,000, on September 8, 2006. The appraisal of the current market value of the Property is \$2,230,000, as indicated by an appraisal letter dated September 7, 2006, by J. Thomas Taylor, MAI, SRA, N.C. State Certified General Real Estate Appraiser, located in Greensboro, North Carolina. See attachment hereto as Exhibit "C". The book value of the Property is approximately \$2.54 million.

9. Duke Energy Carolinas previously marketed the subject Property through the NAI Maxwell Brokerage Firm in the calendar years 2002 and 2003. There was limited interest and no firm offers to purchase the subject Property due to the past environmental conditions at the Property and the pending deed restrictions from NCDENR.

10. Ruth Shaw, the then President of Duke Energy Carolinas, worked with community leaders in an attempt to make the subject Property available for downtown redevelopment. Later, Ms. Shaw committed to Action Greensboro to make the subject Property available as part of Duke Energy Carolinas' corporate participation in Action Greensboro. As stated, Weaver Inc. is a 501(3)c organization acting as the agent for the Greensboro community.

11. The original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of the Company under Account 101, Electric Plant in Service. The difference between the sale price and the original cost of the non-depreciable Property will be applied to Account 421.10, Gain on Disposition of Property or Account 421.20, Loss on Disposition of Property.

12. The Office of Regulatory Staff is being served with a copy of this Application.

13. Applicant requests that (i) this Commission inquire into this matter, (ii) if no substantial opposition develops, (iii) this Commission hear and approve this matter at the next appropriate weekly agenda session, and (iv) issue an appropriate order approving the relief sought in the Company's Application. Applicant also requests such other and further relief as this Commission may deem just and proper.

WHEREFORE, Applicant prays that, pursuant to Section 58-27-1300, Code of Laws of South Carolina (1976, as amended) and other applicable Rules, Regulations and Statutes, that this Commission enter its Order approving the transfer and sale of the subject Property.

This the 28th day of November, 2006.

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